

House Engrossed

FILED

**JANICE K. BREW
SECRETARY OF ST.**

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

CHAPTER 203

HOUSE BILL 2435

AN ACT

PROVIDING AUTHORITY FOR THE DEPARTMENT OF VETERANS' SERVICES TO CONSTRUCT A
LEASE-TO-OWN SOUTHERN ARIZONA VETERANS' HOME FACILITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Lease-to-own southern Arizona veterans' home
3 facility; procedures; taxation

4 A. Pursuant to section 41-603, subsection C, Arizona Revised Statutes,
5 and any other authority, the director of the department of veterans' services
6 may enter into a lease-to-own transaction with a private entity for the
7 construction, occupancy and ownership by this state of a veterans' home
8 facility located in southern Arizona. This transaction may provide for:

9 1. The lease to the private entity of state property necessary for the
10 construction of the veterans' home facility and related infrastructure for
11 the term of the lease-to-own transaction.

12 2. The construction to this state's specifications of the veterans'
13 home facility and related infrastructure.

14 3. The lease of the completed veterans' home facility and related
15 infrastructure by this state for an extended term of years.

16 4. The transfer of ownership of the veterans' home facility and
17 related infrastructure from the private entity to this state on the payment
18 of a nominal sum at the expiration of the lease.

19 5. The option for this state's purchase of the veterans' home facility
20 and related infrastructure before the expiration of the lease.

21 B. The state property and any improvements constructed by the private
22 entity on the state property pursuant to subsection A of this section are
23 exempt from taxation during construction by the private entity and subsequent
24 occupancy by this state for a governmental activity.

25 C. Any lease-to-own transaction under this section shall be reviewed
26 by the joint committee on capital review before the transaction takes effect.

APPROVED BY THE GOVERNOR MAY 6, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 6, 2004.